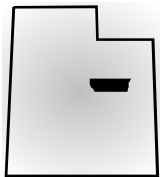


County Trends



Carbon

October 2003

A Local Economic Perspective

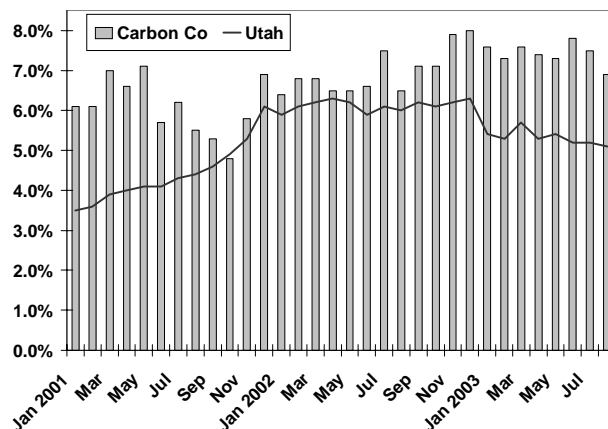
A Stumbling Start in 2003

Carbon County's economy stumbled out of the gate in first quarter 2003. Total nonfarm jobs dropped a slight 1.3 percent, the first decline in six quarters. Recessionary impacts have combined to slow the county and state's economies. The unemployment rate has been steady at around 7 percent. The latest data, for August 2003, show Carbon County with a 6.9 percent unemployment rate, above the state's 5.1 percent rate.

Manufacturing Falls

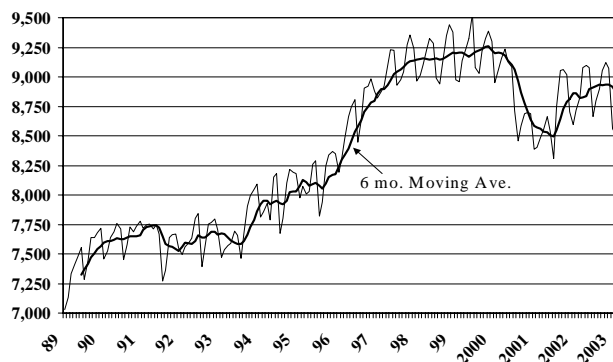
Nonfarm jobs slipped in the first quarter of 2003, falling 1.3 percent. A drop in goods-production employment accounted for the majority of the 111 jobs lost. Most of these were in manufacturing, which reported declines in wood products, printing, machinery manufacturing, and fabricated metal products. Mining, which had shown an upswing in the last two quarters of 2002, leveled off and showed a slight decrease in employment. Most of the losses were related to the completion of oil and gas exploration projects. Coal mining jobs, which make up most of mining employment, were basically unchanged. Construction jobs rose for residential and special trade building, but lost jobs in heavy construction.

Seasonally Adjusted Carbon County Unemployment Rates



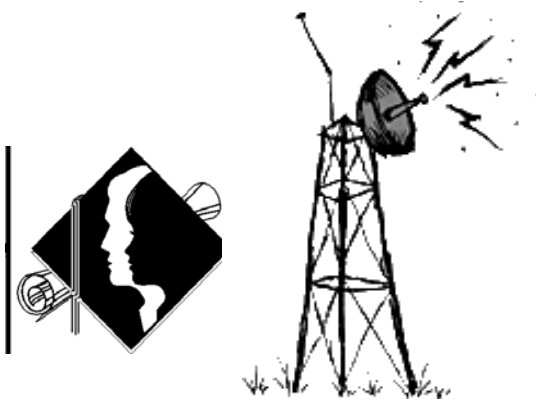
Source: Utah Department of Workforce Services.

Monthly Nonfarm Employment in Carbon County, 1989-2002

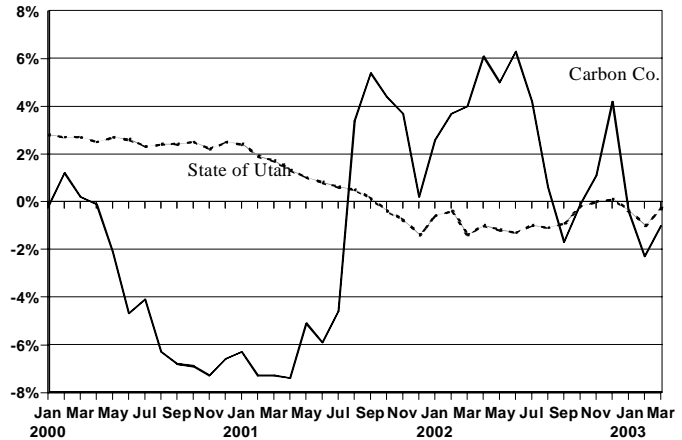


Source: Utah Department of Workforce Services.





Year-Over Change in Carbon County Employment



Source: Utah Department of Workforce Services.

To the Point

Carbon County's economy stumbled out of the gate in the first quarter of 2003. A broadbased drop in manufacturing was the main reason for the decline. Mining jobs slipped slightly, though coal mining was basically unchanged. Employment also fell in the leisure and hospitality industry and for temporary help agencies.

The service-producing industries, which include trade, transportation, information, recreation, lodging and food services, slipped a scant 0.1 percent in the first quarter of 2003. Jobs were lost in lodging, food services, and professional and business services, particularly at temporary help agencies.

The jobs losses were barely enough to offset gains in health care at clinics and nursing care facilities, and at private education businesses. Retail and wholesale trade also added jobs. Retail jobs increased for motor vehicle dealers and at nonstore retailers. Financial activity also added employment, primarily in real estate services.

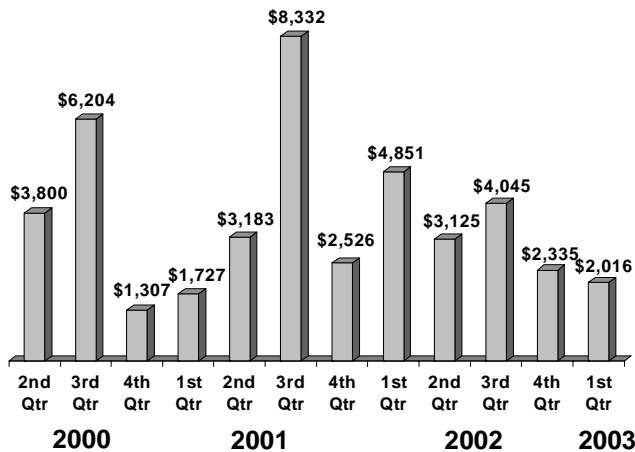
Construction Tumbles

Construction activity, as measured by permit authorizations, went two different directions during the first quarter of 2003. Nonresidential activity plummeted, while residential activity expanded. As measured by the total valuation, construction activity tumbled 58 percent, primarily due to the lack of any major commercial building. Meanwhile, housing starts rose a healthy 27 percent and the valuation for new residential buildings and remodels more than doubled.

Carbon County Total Construction Permit Valuation

(Thousands of dollars)

3



Source: Utah Bureau of Economic & Business Research.

Nonresidential building-permit declines, while steep, reflect the lack of major commercial projects. In comparison, in the first quarter of 2002, a \$1.5 million industrial building and a \$1.6 million store remodel were approved. It should be noted that construction data can swing quickly from one quarter to another, depending on the size and type of permits issued in each quarter.

Sales Slump

Gross taxable sales declined 8.1 percent in the first quarter of 2003. Retail sales slid by 8.6 percent as sales tumbled at food stores, motor vehicle dealers, and building and garden stores. Sales also declined for construction, manufacturing, and for utilities. Sales for services also slipped. Mining sales rose, but could not offset the losses in these other areas.

Outlook for 2003

The general economic malaise, nationally and in Utah, will continue to hamper economic growth in Carbon County. A sluggish mining industry means that the overall local economy will remain fragile, and will stay so until demand becomes more robust within the nation and state.

Austin Sargent, Regional Economist



Quick Facts

August 2003

Unemployment Rate

Carbon County	6.9%
Utah	5.1%
U.S.	6.1%

Mar. 2003 Change from Previous Year

Job Growth

Carbon County	-1.0%
Utah	-0.3%
U.S.	-0.3%

1st Qtr 2003 Change from Previous Year

Construction Values

Carbon County	-58.4%
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Sales

Carbon County	-8.1%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

For more economic information about Carbon County see:
<http://jobs.utah.gov/wi/Regions/County.asp>

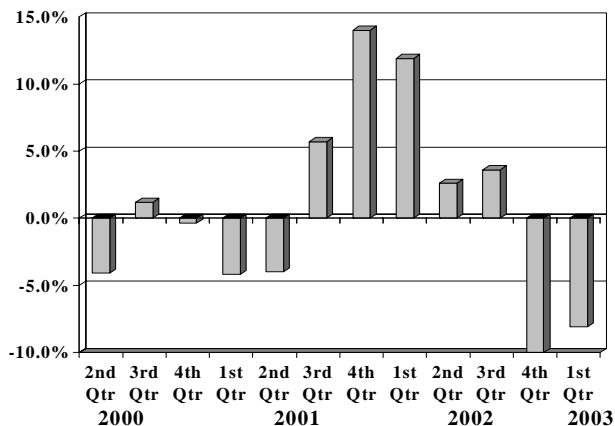
State of Utah

Utah Department of Workforce Services

140 East 300 South
PO Box 45249
Salt Lake City, UT 84145-0249

ADDRESS SERVICE REQUESTED

Year-Over Change in Carbon County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.



03-13EC-1003

Equal Opportunity Employment Program

Auxiliary aids and services are available upon request to individuals with disabilities. Call (801) 526-9240. Individuals with speech and/or hearing impairments may call the state relay at 1-800-346-4128

What's Up? 4

- Carbon County will see a number of major road projects in late 2003 through 2004, according to the Utah Department of Transportation (UDOT). The largest projects include widening of lanes on U.S. Highway 6 between Price and Wellington, as well as the new Helper interchange on U.S. Highway 6.
- Carbon County received \$550,000 from the Utah Permanent Community Impact Fund Board for sidewalk, curb and gutter work along Carbonville Road between Price and Helper.

For more economic events, see:

<http://jobs.utah.gov/wi/Regions/eastern/carbon/carbonee.pdf>

